THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE rNDUSTRIES, AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA R A JE): (a) The package announced by the Government for the promotion and development of Khadi Village Industries, *inter-alia* includes insurance cover to Khadi Artisans.

(b) Yes. Sir.

(c) All eligible spinners and weavers will be covered under the insurance scheme.

Crisis in Khadi Gramodyog

4270. SHRI SATISH PRADHAN: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Ghandhivad kee Aad main-Choutha stamb garibon ke naam par lootkhasot karne wale tantra ka bachav kyon karate hai" published in the India Todays 4th July, 2001 issue;

(b) if so. Government's reaction thereto;

(c) whether the Central Government have received any report from Arthur Anderson Management Advisor Company on present crisis of Khadi Gramodyog; and

(d) if so. Government's response thereto ?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES. AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a)Yes.Sir.

(b) The Government through the Khadi and Village Industries Commission (KVIC) promotes Khadi and village industries by providing financial and managerial support. Under the financial support, the KVIC, *inter-alia,* gives Khadi rebate against sale of Khadi products. Cases of fraudulent claims of Khadi rebate arc dealt with by the KVIC and remedial/punitive action is taken thereon. To strengthen the Khadi and V.I. sector the Government on 14.05.2001 has announced a Package which comprises of a Rebate Policy for five years, options of Rebate and Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of

packaging and design facilities measures to promote marketing, brand building, cluster development, focus on core areas and provision additional working capital.

(c) Yes, Sir.

(d) The report is under consideration of the Government.

Incubation Infrastructure Development Fund

4271. SHRI SOLIPETARAMACHANDRA REDDY: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state :—

(a) whether a study group on policy for small scale industries has recommended creation of an Incubation Infrastructure Development Fund for setting up adequate number of incubation centres in the Tenth Five Year Plan;

(b) if so, the details thereof;

(c) the State-wise location of such centres;

(d) whether another fund has also been recommended for technology upgradation, and modernisation of tiny units; and

(e) the steps being taken by Government to facilitate one time settlement ?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) to (c) The Study Group on Development of Small Scale Enterprises constituted in May, 1999 under Dr. S.P. Gupta, Member, Planning Commission has recommended an Incubation Infrastructure Development Fund with a corpus of Rs. 1000 crores for setting up of Incubation Centres (ICs) to provide all facilities and finance, technical consultancy etc. to encourage technocrats and first-generation entrepreneurs to successfully take up production based on recent technologies having potential but not tried so far. A State-wise location of such Centres has not been recommended.

(d) Yes, Sir.

(e) A one time settlement formula (Samadhan Scheme) has been announced by the RBI on 27th July, 2000 for one time settlement of dues to benefit sick industrial units.